

**2013  
UTAH BOARD OF OIL, GAS AND MINING  
EARTH DAY AWARDS**


**Nomination Form**

**Nominee Information**

**Company Name:** Anadarko Petroleum Corporation  
**Address:** 1099 18<sup>th</sup> St., Suite 1800  
**City, State, Zip:** Denver, Colorado 80212  
**Contact Person:** Chris Castilian  
**Phone:** (720) 929-6831  
**Site Name:** Greater Natural Buttes  
**Location:** Uintah Basin/Vernal, Utah

**Activity and Category (Please check one activity and one category)**

**Activity**

- Oil and Gas 
- Minerals
- Coal

**Category**

- Environmental improvement to an active mine site, drilling or recovery site, or field
- Outstanding results following applications of innovative environmental technology
- Outstanding final reclamation or site restoration
- Other: Stakeholder engagement

**Nominated By**

**Name:** Chris Castilian  
**Address:** 1099 18<sup>th</sup> St., Suite 1800  
**City, State, Zip:** Denver, Colorado 80202  
**Phone:** (720) 929-6831

**Nomination Summary (attach additional sheets, photos, etc., as necessary)**  
Attached in separate document. Additional pictures to follow.

**Return no later than January 31, 2013 to:** Earth Day Awards, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, P.O. Box 145801. Salt Lake City, Utah 84114-5801. Phone (801) 538-5324 Fax (801) 359-3940.  
**Nominations may also be submitted by email to -** jimspringer@utah.gov.

Anadarko Petroleum Corporation (NYSE: APC) is among the world's largest independent oil and natural gas exploration and production companies, with 2.54 billion barrels of oil equivalent (BOE) of proved reserves at year-end 2011. Anadarko is committed to safely producing the energy the world needs in a manner that protects the environment, public health and supports the communities in which it operates. Anadarko's 5,100 employees hold the belief that energy is fundamental to physical existence. It is as important as clean air, water and affordable food. At Anadarko, we take our responsibility seriously to safely deliver resources to our energy-hungry world, and we hold true to our core values of integrity and trust, servant leadership, commercial focus, people and passion, and open communication in all of our business activities.

The company's portfolio of assets encompasses premier positions in U.S. onshore shales and resource plays in the Rocky Mountains region, the southern United States and the Appalachian Basin. The company also is a premier deepwater producer in the Gulf of Mexico, and has production in Alaska, Algeria, and Ghana with additional exploration opportunities in West Africa, Mozambique, Kenya, South Africa, New Zealand and China.

Recognizing the world of energy development is changing, in 2011 and 2012, Anadarko demonstrated its commitment to the environment by embarking on stakeholder-engagement initiatives aimed at enhancing transparency, cooperation and collaboration in our efforts to secure the Record of Decision on our Anadarko's Greater Natural Buttes Environmental Impact Statement (EIS). Anadarko's Greater Natural Buttes project in northeastern Utah is one of Anadarko's largest assets and the most significant producing field in Utah. In May 2012, the Interior Department signed a Record of Decision, approving Anadarko's Greater Natural Buttes expansion project – **the first significant oil industry Environmental Impact Statement (EIS) completed under the current Administration.**

These achievements are worthy of the Utah Division of Oil, Gas and Mining's Earth Day award for three primary reasons: First, they demonstrate the commitment to multi-faceted and comprehensive approaches to gain social license to operate. Second, they illustrate the value of collaboration and finding common ground among a multitude of stakeholders for major oil and gas developments. Third, they are an excellent reflection of Anadarko's core values of integrity and trust, servant leadership, open communication and commercial focus.

Among Anadarko's core values is the concept of "servant leadership," which means putting the interests of others above our own. This value guided the Greater Natural Buttes EIS and exemplifies customer care and satisfaction. In this case, Anadarko's customers included American consumers, the State of Utah, the Uintah County Commissioners, the Ute Indian Tribe, the Wilderness Society, Southern Utah Wilderness Alliance (SUWA), Theodore Roosevelt Conservation Partnership, the community of Vernal, the U.S. Bureau of Land Management (BLM), U.S. Fish and Wildlife Service, U.S. Department of the Interior, U.S. Environmental Protection Agency (EPA) and Anadarko's shareholders.

By engaging early and often with all stakeholders, the parties were able to reach solutions to challenges, accommodations to concerns, and benefits that could be shared. For the regulatory bodies, safeguards were put into place protecting sensitive species and Best Management Practices were outlined to reduce emissions and surface impacts, and responsibly manage water. The tribes and community continue to benefit from jobs and tax revenue that will be created and sustained. Environmental advocates have assurance that the aesthetic quality of this area and tourism value of the White River would be protected, and Anadarko's shareholders are well served by a project that offers up to 3,700 new well locations and prolonged production.

Illustrating the reaction of our customers to the EIS, the U.S. Department of the Interior stated, "Anadarko's (Greater Natural Buttes) project is a great example of a domestic energy project with essential safeguards." The U.S. Fish and Wildlife Service said, "It's a great example of what we can achieve together." An official with SUWA also said, "The company (Anadarko) reached out to us on several occasions, and we're satisfied with the ultimate agreement."

As one of Forbes Magazine's 100 Most Innovative Companies of 2012, Anadarko understands the importance of looking for innovative solutions and constantly implementing technology to improve operations. The Greater Natural Buttes EIS required tremendous innovation in order to prolong operations in an existing field (producing since 1957) without significantly increasing the footprint on the surface.

The project includes the drilling of approximately 3,700 new natural gas wells in the area over a period of about 10 years, unlocking approximately 6 trillion cubic feet (Tcf) of natural gas resource. By utilizing existing well pads, infrastructure and equipment, Anadarko estimates incremental new surface use will be only about 5 percent of the total project area. Additionally, the use of directional drilling will enable Anadarko to drill multiple wells from pads that are out of sight of rafters on the White River, while accessing resources that are located thousands of feet below the river.

Anadarko also has committed to reducing water use fresh water use by recycling nearly 80 percent of the water used in its well completions. To protect air quality, Anadarko has committed to the installation of a large water-management system that will significantly reduce truck traffic and associated emissions and dust.

Recognizing that we all want and deserve clean air, and as part of the stakeholder engagement process, Anadarko worked with BLM and EPA to develop one of the most detailed and comprehensive air-quality analyses ever developed under the National Environmental Protection Act (NEPA).

True leadership requires risk. For Anadarko, it means elevating our profile with multiple stakeholders, many of whom have been historically at odds with the oil and natural gas industry. The achievements of 2011 and 2012 that are highlighted in the submission

demonstrate clear leadership in that they involved significant risk, a willingness to look at new ways to resolve old challenges and have provided a new model for future success.

The Greater Natural Buttes EIS has been heralded as a new model for collaboration among regulators, environmental advocates, tribal leaders and industry. By approving the EIS, which was a four-and-a-half year process, the project will prolong the life of an important natural gas producing area, and is expected to produce enough energy to meet the demands of more than 5.5 million average American homes at peak production.

There is no question achieving these results requires leadership, and leadership of this scale requires a company with a strong value compass and support from the highest level empowering teams to pursue mutually beneficial solutions.

The Greater Natural Buttes EIS is expected to create approximately 2,900 new jobs during peak construction, generate more than \$5 billion of federal, state, local and tribal tax revenue over the next decade, and result in more than \$10 billion in capital investment over the life of the project. The Greater Natural Buttes field is the lifeblood of northeastern Utah and especially in Uintah County and the city of Vernal.

In signing the Record of Decision, U.S. Energy Secretary Ken Salazar said, “3,600 new wells in the Uintah Basin over the next decade, that will produce a significant amount of natural gas to help power the American economy, it will bring jobs to Utah and jobs that are spread throughout the United States.”

This four-and-a-half year process was not easy; however, the unprecedented approval of the EIS was accomplished in record time. There are similar EIS efforts in Wyoming that are tracking toward nine years before anticipated completion.

Advances in directional drilling, completions, water-transfer systems and centralized facilities are providing a great foundation for cost-effective development, and a foundation for reduction in environmental impacts that the environmental community and EPA can support. Collaborating with these groups and taking a solutions-based approach to operations is essential in an effective strategic vision.

Anadarko’s regulatory team that led the EIS effort took this new approach to the effort and insisted on overlaying strong project-management technique on the government process and proactively engaged the environmental community and EPA to understand this vision and needs for the Greater Natural Buttes area.

The Director of the BLM in Utah, Bob Abbey may have put it best, “Anadarko is one of those companies that gets it. Their personnel understand that it is not always about the bottom line ... that by reaching out to affected interests, they can move forward with much needed projects so that we can have appropriate development and in a way that respects the values of all.”